been provided to prevent any possible misuse of these provisions.

Request for Hike in stake of MUL by Suzuki Motor Corporation

*35. SHRI SOLIPETA RAMACHANDRA REDDY:
DR. Y. LAKSHMI PRASAD:

Will the Minister of INDUSTRY be pleased to state:

(a) whether the Suzuki Motor Corporation of Japan has requested Government to hike its stake from the present 50 percent to 70 percent in the Maruti Udyog Limited;

(b) if so, the grounds given by the Suzuki Motor Corporation for enhancing their stake; and

(c) the reaction of Government to the request?

THE MINISTER OF INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) President and CEO of Suzuki Motor Corporation (SMC) has in his letter proposed, inter-alia, that "management of Maruti be straightened by listing its shares or by selling the Government's shares to Suzuki, or vice-versa". Inter-alia, the main ground indicated is to control ownership and management.

(c) Government is not considering any change now in the existing equity structure of MUL or disinvestment of its shares in favour of SMC.

Sugar Licencing Policy

*36. SHRI SUSHILKUMAR SAMBHAJIRAO SHINDE:
SHRI RAJUBHAI A. PARMAR:

Will the Minister of FOOD be pleased to state:

(a) whether Government have lately revised the Sugar Licencing Policy;

(b) if so, the details of revised policy and the main modifications in the earlier policy;

(c) whether the new policy exempts new units from levy restrictions and allows expansion of mills upto 85% of their output of previous year in open market; and

(d) the specific safeguards provided in the new policy to ensure speedy payments to sugarcane growers?

THE MINISTER OF FOOD AND MINISTER OF CIVIL SUPPLIES, CONSUMER AFFAIRS AND PUBLIC DISTRIBUTION (SHRI DEVENDRA PRASAD YADAV): (a) and (b) Government have vide Ministry of Industry, Department of Industrial Policy and Promotion Press Note No. 1 (1997 series) issued on 10.1.1997 revised guidelines for considering applications for industrial licences for sugar industries. A copy of the Press Note is annexed as Statement. (*see* Below).

(c) The licencing policy does not cover questions of exemption from levy.

(d) Does not arise.

Statement

GOVERNMENT OF INDIA
MINISTRY OF INDUSTRY
DEPARTMENT OF INDUSTRIAL POLICY AND PROMOTION

PRESS NOTE NO. 1
(1997 Series)

Subject: Guidelines for considering applications for industrial licenses for sugar factories

The Government of India have reviwed the Guidelines for licensing of new and expansion of existing sugar factories issued vide this Ministry's Press Note No. 16 (1991) dated 8.11.91. The existing guidelines need revision in order to take into account the changes in the business scenario following economic liberalisation, the need for introducing simplified and transparent procedures and the technological changes that have taken place in the sugar industry over the years. In supersession of the aforesaid Press

Note, Government have now formulated the following revised guidelines:—

(i) New Sugar factories will continue to be licensed for a minimum economic capacity of 2500 tonnes cane crushed per day (TCD). There will not be any maximum limit on such capacity.

(ii) Preference in licensing would be given to the proposals involving larger capacity, modern technology and development of integrated complexes producing value added products and co-generation of power.

(iii) For the consideration of application, a revenue district will be taken as the unit. In case more than one application is received for any unit of operation, other things being equal, priority will be given to the application received earlier.

(iv) Licences for new sugar factories will be issued subject to the condition that the distance between the proposed new sugar factory and an existing/already licensed sugar factory should be not less than 15 kilometres.

(v) The basic criterion for grant of licences for new sugar units would be cane availability or the potential for the development of sugarcane or both.

(vi) Other things being equal, preference in licensing will be given to the proposals from the Growers' Cooperative Societies. However, industrial licence issued to such a cooperative cannot be transferred to any other entity.

(vii) All applications for expansion of the existing factories will be cleared automatically.

(viii) Applications for grant of industrial licences for the establishment of new sugar factories as well as expansion of existing units should be submitted to the Secretariat for Industrial Assistance (SIA) in the Department of Industrial Policy & Promotion, Minsitry of Industry, New Delhi in Form II, along with the prescribed fee of Rs. 2500/-. The applications received for grant of licences would be referred by SIA to the Department of Food and the concerned State Governments/UTs for their comments. If no comments are received from either Department of Food or the concerned State Governments/UTs within one month after their comments are asked for, it shall be deemed that they have no comments to offer. The Licensing Committee would thereafter consider the application for industrial licence and make appropriate recommendations.

B. The procedure and guidelines, as given above, are brought to the notice of the entrepreneurs for their information and guidance.

(Ashok Kumar)
Joint Secretary to the Government of India

F. No. 10(20)/96-LP
New Delhi, the 10th January 1997.

Forwarded to the Press Information Bureau for giving wide publicity to the contents of the above Press Note.

Press Information Officer.
Press Information Bureau,
NEW DELHI.

New Steel Plants in Orissa

*37. SHRIMATI JAYANT PATNAIK: Will the Minister of STEEL be pleased to state:

(a) the number of new steel plants coming up in Orissa and the total capacity being so created;

(b) the assistance Central Government in providing to the State Government to ensure that the steel plants come up quickly;

(c) whether there is a proposal of the Orissa Mining Corporation to develop